

MEMORANDUM

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THRU: LAC/DR/HPN, Thomas Park *TP*

FROM: LAC/DR/HPN, Patricia Moser *Patricia Moser*

SUBJECT: Health Care Financing in Latin America and the Caribbean Project Completion Report

The LAC Regional Health Care Financing in Latin America and the Caribbean Contract (LAC-0632-C-00-5137-00) with the State University of New York Research Foundation, Office of Research Services, SUNY at Stony Brook, Stony Brook, NY 11794-0001, terminated December 31, 1989. This contract was a component of the LAC Regional Technology Development and Transfer in Health Project (598-0632/597-0006) which ends September 30, 1990.

This project assistance completion report complies with requirements under Handbook 3, Chapter 14, entitled "Project Completion and Post Project Considerations".

In summary, the contract was a success because it 1) successfully adapted and utilized new technologies for defining and/or overcoming financing constraints in the health sector in eight LAC countries, 2) developed a cadre of researchers in the Region with skills for doing applied health research, and 3) as a dissemination activity, assisted in the development of a suggested curriculum with case study materials for teaching health care financing topics in schools of health administration throughout the Region.

Following is an analysis supporting this conclusion:

1. Where the project is at this point, including the status of completion and various project elements such as technical assistance and training:

The contract terminated as planned on December 31, 1989 with all outputs achieved.

In order to capitalize on interest and energies generated in the Region regarding the work of the contract, the contractor proposed very tight deadlines for completing analyses, editing and reproduction of reports. All outputs were provided in completed form to LAC/DR/HPN by September 30, 1989.

This is an example of successful completion of a research oriented project in a manner in which the results can be rapidly used and is an example of successful completion of a LAC Regional project.

2. A summary of contributions made by the grantee, donors and participants (i.e., planned versus actual inputs):

A.I.D. assistance from the LAC Regional TDTH Project totaled \$1,813,000 over the life of the Contract. There was also funding provided to the Contract by USAID/Dominican Republic in the amount of \$212,000; bringing the total amount of the contract to \$2,025,000. In addition, RDO/C and USAID/Dominican Republic developed separate contracts with the implementing organization to conduct additional dissemination activities not included in the Regional Contract.

Host governments in each of the study countries also provided resources in participating in analytical, review and dissemination activities. Several of these reports will also serve as background information for other donor programs and private sector activities.

3. A brief review of project accomplishments in light of: conditions at the outset (initially planned outputs), the expectations of project design and changes in the project environment and/or design during implementation:

Planned vs. actual outputs: The original scope of work was somewhat overly ambitious given the time and effort required to do high quality research in countries with few human and institutional resources in statistical and health economics research. Therefore, only nine of the required ten studies were conducted and four of the projected five conferences were provided. Resources budgeted for these additional deliverables were utilized for additional technical assistance required for analysis and quality control. The contract was amended early in 1988 to reflect this shift in resource utilization and was successfully completed as amended. All other planned outputs were accomplished.

The contract did not provide assistance for the development and implementation of Mission projects to the extent originally visualized. This was largely due to the time and labor intensity required in completing the studies and an underestimate of the time required for assisting Missions in developing health care financing activities in the absence of a specific agenda in most countries of the region. However, no output targets were provided for this element.

Actual Outputs (Accomplished)(Original Targets):

Country studies (8)(9 - 12):

1. Financing and Costs of Health Services in Belize
2. Private Health Care Financing Alternatives in Metropolitan Lima, Peru
3. Costos de los Servicios Basicos de Salud en Ecuador
4. Health Care Financing in St. Lucia and the Costs of Victoria Hospital
5. Toward a Self-financing of Primary Health Services: A Market Study of PROSALUD in Santa Cruz, Bolivia
6. Private Sector Health Care Alternatives for Agricultural on the South Coast of Guatemala
7. Household Survey of Health Services Consumption in Santo Domingo, Dominican Republic
8. Household Demand for Medical Care in Santo Domingo, Dominican Republic

Regional Overviews (2)(2):

1. Health Care Financing in Latin America and the Caribbean: Research Review and Recommendations
2. Health Care Financing in Latin America and teh Caribbean, 1985-89: Findings and Recommendations

Regional workshops (4)(5):

1. Stony Brook, NY - 1986
2. Quito, Ecuador - 1987
3. Antigua, Guatemala - 1988
4. Arlington, VA - 1989

HCF/LAC Project Updates (6)(6)

Person Months Technical Assistance (132)(70)

Accomplishments: The project successfully engaged local researchers and health policy makers in developing information and defining solutions to identified problems in each of the eight countries. Under this technology transfer project, local institutions in Latin America and the Caribbean have now gained experience in carrying out relevant health economics research. In addition, more than forty scholars in the region have participated in four contract funded regional seminars designed to analyze research results and ferret out relevant policy implications from research data. These individuals have also benefitted from the opportunity to develop a professional and personal relationship with members of the Contract's Technical Advisory Group, which includes persons engaged in health research from PAHO, the World Bank, and U.S. public and private Health Agencies.

A.I.D. officers and host country researchers and officials have benefitted from receipt of Technical Updates on health care financing topics and research methodologies which were published six times during the four years of the contract. In order to increase the usefulness of the final synthesis report, it is being published in Spanish and English by the Association of University Programs in Health Administration as a supplement to the organization's monthly journal with information regarding its use in teaching health finance in schools of health administration in the Region..

Access to the Technical Advisory Group individually and on a formal, semi-annual basis has also provided special resources to LAC/DR/HPN in developing an appropriate Regional HCF agenda and follow-on activities.

4. An assessment of the extent to which the project has resolved or is resolving the original problem:

The project was designed to address the problem of lack of adequate financial resources in the health sector through adaptation of appropriate technologies and strategies. The project was successful in developing and or adapting technologies for application in the field, including developing a hospital costing scheme for Belize and St. Lucia and methodologies for costing primary care in Ecuador and Belize. A first application of rigorous demand analysis in the Caribbean basin was carried out in Santo Domingo; and first use of interactive data entry programs for compiling survey data for the household survey on which the demand study was based reduced time needed for data results to one-fourth of the time usually required. Review of private sector options in Peru and Guatemala represented initial reviews of these options. Development of a new methodology for projecting financial viability for a private sector organization in Bolivia led to an exceptionally successful Project which USAID/Bolivia plans to use as a model in other parts of Bolivia and to share across countries.

In addition to development of new methodologies, their application in a well thought out research agenda furthered the state of knowledge regarding the financing of health services in LAC through providing detailed information on segments of the health sector not previously studied.

5. Contractor reporting requirements:

The contractor submitted all required interim and final reports as required under the terms of the contract.

6. Definition of continuing and/or post-contract A.I.D. monitoring responsibilities, including the timing and resources involved:

None. All work has been completed under the contract. The next phase of health care financing activities will be managed under a follow-on regional project, the Health and Nutrition Technical Support Services Project.

7. A review of data collection results and evaluations remaining to be undertaken:

None. LAC Missions participated in a mid-project evaluation which deemed the contract well on target and beneficial to the development process. Data developed under the contract was utilized in completing country studies which included discussion of policy and program implications. A decision was made at the 12/89 SAR that a final evaluation was not required as the contract mainly provided support to Mission programs and therefore, direct impact on a beneficiary population would be difficult to measure.

8. A summary of lessons learned from the project that might be relevant to programming, design, and implementation of other activities:

Each of the country studies related to information regarding the health system requested by Missions to assist in the design or implementation of health projects. This led to much Mission interest in the results of the studies and insured application of results where possible.

However, it was found that policy dialog in the health sector takes time and requires on-going support; additional effort should be provided under subsequent contracts to provide longer follow through support for Missions engaged in the dialog process.

Technology Transfer: Costing methodologies currently used in the U.S. private sector must be great. modified/simplified for application in other countries in the Region; however, some technologies, such as the use of microcomputers and interactive data entry programs are directly usable and can be invaluable.

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